



Rizzetta & Company

Portico Community Development District

Board of Supervisors' Meeting August 20, 2020

**District Office:
9530 Marketplace Road, Suite 206
Fort Myers, Florida 33912
(239) 936-0913**

www.porticocdd.org

PORTICO COMMUNITY DEVELOPMENT DISTRICT

Rizzetta & Company, Inc., 9530 Marketplace Road, Suite 206, Fort Myers, Florida 33912

Board of Supervisors	Russell Smith	Chairman
	Barry Ernst	Vice Chairman
	Chris Hasty	Assistant Secretary
	Scott Edwards	Assistant Secretary
	VACANT	Board Supervisor
District Manager	Belinda Blandon	Rizzetta & Company, Inc.
District Counsel	Tucker Mackie	Hopping Green & Sams, P.A.
District Engineer	Brent Burford	Johnson Engineering, Inc.

All cellular phones must be placed on mute while in the meeting room.

The Audience Comment portion of the agenda is where individuals may make comments on matters that concern the District. Individuals are limited to a total of three (3) minutes to make comments during this time.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (239) 936-0913. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) 1-800-955-8770 (Voice), who can aid you in contacting the District Office.

A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.

PORTICO COMMUNITY DEVELOPMENT DISTRICT
DISTRICT OFFICE • 9530 MARKETPLACE ROAD, SUITE 206, FORT MYERS, FLORIDA 33912

www.Porticocdd.org

August 12, 2020

Board of Supervisors
**Portico Community
Development District**

AGENDA

Dear Board Members:

The regular meeting of the Board of Supervisors of the Portico Community Development District will be held on **Thursday, August 20, 2020 at 10:00 a.m.** Please be advised that the Florida Governor's Office has declared a state of emergency due to the Coronavirus (COVID-19). As a result, the meeting is being conducted by means of communications media technology pursuant to Executive Orders 20-52, 20-69, 20-112, 20-114, 20-150 and 20-179 issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 29, 2020, May 8, 2020, June 23, 2020 and July 29, 2020, respectively, and any extensions thereof, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

As reported by the Center for Disease Control and World Health Organization, COVID-19 can spread from person-to-person through small droplets from the nose or mouth, including when an individual coughs or sneezes. These droplets may land on objects and surfaces. Other people may contract COVID-19 by touching these objects or surfaces, then touching their eyes, nose or mouth. Therefore, merely cleaning facilities, while extremely important and vital in this crisis, may not be enough to stop the spread of this virus.

While it is necessary to hold a meeting of the District's Board of Supervisors despite the current public health emergency, the District fully encourages public participation in a safe and efficient manner. Toward that end, anyone wishing to listen and participate in the meeting can do so telephonically by attending a scheduled Zoom meeting. The information for accessing the meeting is as follows: Dial +1 929-205-6099 or +1 312-626-6799, Meeting ID: 958 0102 1662, Password: 991732. For assistance using Zoom please contact the District Manager in advance of the meeting at BBlandon@rizzetta.com or by calling 239-936-0913. Additionally, written public comments and questions can be e-mailed to the District Manager in advance of the meeting at BBlandon@rizzetta.com, or mailed to the District Manager at Portico CDD, c/o Rizzetta & Company, Inc., 9530 Marketplace Road, Suite 206, Fort Myers, FL 33912. Comments and questions received by 1:00 p.m. the day prior to the meeting will be read into the record at the meeting and become part of the permanent record of the meeting.

The following is the agenda for this meeting:

- 1. CALL TO ORDER/ROLL CALL**
- 2. PUBLIC COMMENT**
- 3. BUSINESS ADMINISTRATION**
 - A. Consideration of the Minutes of the Board of Supervisors' Meeting held on May 21, 2020 Tab 1
 - B. Consideration of the Operation and Maintenance Expenditures for the Months of May, June and July 2020 Tab 2
- 4. BUSINESS ITEMS**
 - A. Ratification of Acceptance of 2019 Audit Tab 3

- B. Consideration of Passarella & Associates Renewal Proposal
for Mitigation Observations Tab 4
- C. Consideration of Aquagenix Proposal to Herbicide Treat
Lake C-1 Tab 5
- D. Consideration of Resolution 2020-13, Adopting a Meeting
Schedule for Fiscal Year 2020/2021 Tab 6
- E. Public Hearing Related to Fiscal Year 2020/2021 Budget
 - 1. Presentation of the Proposed Final Budget for
Fiscal Year 2020/2021 Tab 7
 - 2. Consideration of Resolution 2020-14, Annual
Appropriations and Adopting the Budget for
Fiscal Year 2020/2021 Tab 8
 - 3. Consideration of Resolution 2020-15, Making a
Determination of Benefit and Imposing Special
Assessments for Fiscal Year 2020/2021 Tab 9
- 5. STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 - C. District Manager
- 6. SUPERVISOR REQUESTS AND COMMENTS**
- 7. ADJOURNMENT**

We look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to call us at (239) 936-0913.

Very truly yours,

Belinda Blandon

Belinda Blandon
District Manager

cc: Tucker Mackie, Hopping Green & Sams, P.A.

Tab 1

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

PORTICO COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Portico Community Development District was held on **Thursday, May 21, 2020 at 10:08 a.m.** by means of Zoom communications media technology pursuant to Executive Orders 20-52, 20-69 and 20-91 issued by Governor DeSantis on March 9, 2020, March 20, 2020 and April 1, 2020, respectively, and pursuant to Section 120.54(5)(b)2., Florida Statutes.

Present and constituting a quorum:

Russell Smith	Board Supervisor, Chairman
Scott Edwards	Board Supervisor, Assistant Secretary
Chris Hasty	Board Supervisor, Assistant Secretary

Also present were:

Belinda Blandon	District Manager, Rizzetta & Company, Inc.
Tucker Mackie	District Counsel, Hopping Green & Sams P.A.
Brent Burford	District Engineer, Johnson Engineering, Inc.

FIRST ORDER OF BUSINESS

Call to Order

Ms. Blandon called the meeting to order and read the roll call.

SECOND ORDER OF BUSINESS

Public Comment

Ms. Blandon stated for the record that no members of the public were present.

THIRD ORDER OF BUSINESS

**Consideration of the Minutes of the
Board of Supervisors' Meeting held on
March 11, 2020**

Ms. Blandon presented the Minutes of the Board of Supervisors' meeting held on March 11, 2020, and asked if there were any additions, deletions, or corrections to the Minutes. There were none.

On a Motion by Mr. Smith, seconded by Mr. Edwards, with all in favor, the Board Approved the Minutes of the Board of Supervisors' Meeting held on March 11, 2020, for the Portico Community Development District.

FOURTH ORDER OF BUSINESS

**Consideration of the Operations and
Maintenance Expenditures for the
Months of March and April 2020**

Ms. Blandon advised the expenditures for the period of March 1-31, 2020 total \$24,148.00, and the expenditures for the period of April 1-30, 2020 total \$8,958.71. She asked if there were any questions regarding any item of expenditure. There were none.

On a Motion by Mr. Hasty, seconded by Mr. Smith, with all in favor, the Board Approved the Operations and Maintenance Expenditures for the Month of March 2020 (\$24,148.00), and the Month of April 2020 (\$8,958.71), for the Portico Community Development District.

FIFTH ORDER OF BUSINESS

**Consideration of Johnson Engineering
Proposal for Completion of a Public
Facilities Report**

Ms. Blandon advised that the proposal provided by Johnson Engineering for completion of a Public Facilities Report is \$5,500.00. Mr. Burford advised that the report is required by Florida Statute 189.08. Mr. Hasty inquired as to how often the report is required. Ms. Mackie advised that the next update would be due seven years after the initial report although the updates typically do not take substantive work to complete. Ms. Blandon asked if there were any questions. There were none.

On a Motion by Mr. Hasty, seconded by Mr. Edwards, with all in favor, the Board Approved the Johnson Engineering Proposal for Preparation of a Public Facilities Report, in the Amount of \$5,500.00, for the Portico Community Development District.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2020-08,
Redesignating Authorized Signatories**

Ms. Blandon advised this is a house keeping item and asked if there were any questions. There were none.

On a Motion by Mr. Smith, seconded by Mr. Hasty, with all in favor, the Board Adopted Resolution 2020-08, Redesignating Authorized Signatories, for the Portico Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2020-09,
Redesignating the Secretary of the
District**

Ms. Blandon advised that this resolution is due to personnel changes within Rizzetta & Company and asked if there were any questions. There were none.

On a Motion by Mr. Smith, seconded by Mr. Hasty, with all in favor, the Board Adopted Resolution 2020-09, Redesignating Mr. Bob Schleifer as Secretary of the District, for the Portico Community Development District.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2020-10, Designating a Date, Time and Location for a Landowner's Meeting and Election

Ms. Blandon advised that the landowner meeting and election is scheduled to be conducted on November 19, 2020 at 10:00 a.m. Ms. Blandon asked if there were any questions. There were none.

On a Motion by Mr. Edwards, seconded by Mr. Hasty, with all in favor, the Board Adopted Resolution 2020-10, Setting the Landowner's Meeting and Election for Thursday, November 19, 2020 at 10:00 a.m., for the Portico Community Development District.

Ms. Mackie advised that she will review the proxy in advance of the meeting should that be necessary. Mr. Smith asked that Ms. Mackie work with him on the proxy.

NINTH ORDER OF BUSINESS

Presentation of the Proposed Budget for Fiscal Year 2020/2021

Ms. Blandon provided an overview of the proposed budget for fiscal year 2020/2021 highlighting the line items experiencing a change from the current year budget. She advised that the proposed budget being presented includes an overall increase of \$31,165.00. Ms. Mackie advised that if an increase is expected year after year then a cushion could be built in so that a mailed notice can be avoided in future years. Mr. Smith recommended not building in a cushion and proceeding as presened.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2020-11, Approving a Proposed Budget for Fiscal Year 2020/2021; Declaring Special Assessments to Fund the Proposed Budgets; Setting a Public Hearing Thereon

Ms. Blandon advised that the public hearing is scheduled to be held on Thursday, August 20, 2020 at 10:00 a.m.

On a Motion by Mr. Smith, seconded by Mr. Edwards, with all in favor, the Board Adopted Resolution 2020-11, Approving a Proposed Budget for Fiscal Year 2020/2021; Declaring Special Assessment to Fund the Proposed Budgets; Setting a Public Hearing Thereon for Thursday, August 20, 2020 at 10:00 a.m., for the Portico Community Development District.

ELEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2020-12,
Regarding the Conveyance of Certain
Property**

Ms. Mackie spoke regarding the parcel of land that the developer is looking to swap in order to accommodate the changed development plan and stormwater tracts. She advised that there is another parcel that will come before the Board at a later date.

On a Motion by Mr. Smith, seconded by Mr. Hasty, with all in favor, the Board Adopted Resolution 2020-12, Regarding the Conveyance of Certain Property, for the Portico Community Development District.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Mackie advised that she had no report.

B. District Engineer

Mr. Burford advised that he had no report.

C. District Manager

Ms. Blandon advised that per Florida Statute the District is required, prior to June 1st of each year, to announce the number of registered voters residing within the District as of April 15 of that year. She stated that as of April 15, 2020, there are 497 persons registered to vote residing within the Portico Community Development District, as provided by the Lee County Supervisor of Elections.

Ms. Blandon advised the next meeting of the Board of Supervisors is scheduled for Thursday, August 20, 2020 at 10:00 a.m.

THIRTEENTH ORDER OF BUSINESS

Supervisor Requests and Comments

Ms. Blandon opened the floor for Supervisor requests or comments.

Mr. Hasty advised of an area of concern at the southeast corner of the community regarding ATV traffic accessing a neighboring community.

FOURTEENTH ORDER OF BUSINESS

Adjournment

Ms. Blandon advised there is no further business to come before the Board and asked for a motion to adjourn.

On a Motion by Mr. Hasty, seconded by Mr. Campbell, with all in favor, the Board adjourned the meeting at 10:30 a.m. for the Portico Community Development District.

Secretary/Assistant Secretary

Chairman/ Vice Chairman

Tab 2

PORTICO COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 12750 CITRUS PARK LANE · SUITE 115 · TAMPA, FLORIDA 33625

Operation and Maintenance Expenditures May 2020 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from May 1, 2020 through May 31, 2020. This does not include expenditures previously approved by the Board.

The total items being presented: **\$12,056.74**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Portico Community Development District

Paid Operation & Maintenance Expenditures

May 1, 2020 Through May 31, 2020

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Digital Assurance Certification LLC	001990	48405	Annual Dissemination Fee 2019	\$ 1,500.00
Grau and Associates	001992	19627	Audit for FYE 09/19	\$ 2,000.00
Hopping Green & Sams	001993	114466	Professional Services Billed Through 03/31/20	\$ 3,438.24
Johnson Engineering Inc	001991	20055880-001 INV#124	Engineering Services Through 04/12/20	\$ 442.50
Johnson Engineering Inc	001995	20055880-001 INV#125	Engineering Services Through 05/10/20	\$ 537.50
Rizzetta & Company, Inc.	001988	INV0000049268	District Management Fees 05/20	\$ 3,875.00
Rizzetta Technology Services, LLC	001989	INV0000005799	Website Hosting Services 05/20	\$ 175.00
The Daily Breeze	001994	117158	Legal Advertising 05/13/20	<u>\$ 88.50</u>
Report Total				<u>\$ 12,056.74</u>

PORTICO COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 12750 CITRUS PARK LANE · SUITE 115 · TAMPA, FLORIDA 33625

Operation and Maintenance Expenditures June 2020 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from June 1, 2020 through June 30, 2020. This does not include expenditures previously approved by the Board.

The total items being presented: **\$14,530.83**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Portico Community Development District

Paid Operation & Maintenance Expenditures

June 1, 2020 Through June 30, 2020

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Aquagenix Inc	001999	4077420	Aquatic Service 04/20	\$ 1,500.00
Aquagenix Inc	001999	4079956	Aquatic Service 05/20	\$ 1,500.00
Aquagenix Inc	001999	4082395	Aquatic Service 06/20	\$ 1,500.00
Earth Tech Environmental, LLC	002000	6185	Preserve Maintenance 06/20	\$ 3,750.00
Florida Power & Light Company	001996	Monthly Summary 05/20	Monthly Billing Summary 05/20	\$ 632.08
Hopping Green & Sams	002001	115158	Professional Services Billed Through 04/30/20	\$ 1,505.00
Johnson Engineering Inc	002002	20055880-001 INV#126	Engineering Services Through 06/14/20	\$ 93.75
Rizzetta & Company, Inc.	001997	INV0000050151	District Management Fees 06/20	\$ 3,875.00
Rizzetta Technology Services, LLC	001998	INV0000005900	Website Hosting Services 06/20	<u>\$ 175.00</u>
Report Total				<u>\$ 14,530.83</u>

PORTICO COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 12750 CITRUS PARK LANE · SUITE 115 · TAMPA, FLORIDA 33625

Operation and Maintenance Expenditures July 2020 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from July 1, 2020 through July 31, 2020. This does not include expenditures previously approved by the Board.

The total items being presented: **\$41,799.50**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Portico Community Development District

Paid Operation & Maintenance Expenditures

July 1, 2020 Through July 31, 2020

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Aquagenix Inc	002011	4085074	Aquatic Service 07/20	\$ 1,500.00
Florida Power & Light Company	002003	Monthly Summary 06/20	Monthly Billing Summary 06/20	\$ 652.53
Florida Power & Light Company	002012	Monthly Summary 07/20	Monthly Billing Summary 07/20	\$ 600.59
Grau and Associates	002009	19966	Audit for FYE 09/19	\$ 1,600.00
Grau and Associates	002009	L34769795	Audit for FYE 09/19	\$ 23.00
Hopping Green & Sams	002008	115531	Professional Services Billed Through 05/31/20	\$ 1,893.03
Innersync Studio Ltd	002006	18682	CDD Website Services 07/20	\$ 384.38
Passarella & Associates, Inc.	002010	03TWC890 - 4H	Professional Services Through 06/30/20	\$ 1,763.00
Rizzetta & Company, Inc.	002004	INV0000050758	District Management Fees 07/20	\$ 3,875.00
Rizzetta & Company, Inc.	002013	INV0000051323	Mass Mail 07/20	\$ 577.38
Rizzetta Technology Services, LLC	002005	INV0000006001	Website Hosting Services 07/20	\$ 175.00
The News Press	002007	0003360933	Legal Advertising 05/01/20-05/31/20	\$ 203.26

Portico Community Development District

Paid Operation & Maintenance Expenditures

July 1, 2020 Through July 31, 2020

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
WCI Communities, LLC	002014	412-20-01	Excess Developer DS Off Roll 07/20	\$ 28,552.33
Report Total				<u>\$ 41,799.50</u>

Tab 3

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019**

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA**

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Grau & Associates

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Portico Community Development District
Lee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Portico Community Development District, Lee County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2019, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



June 23, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Portico Community Development District, Lee County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$1,482,153.
- The change in the District's total net position in comparison with the prior fiscal year was (\$91,969), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2019, the District's governmental funds reported combined ending fund balances of \$776,091, a decrease of (\$280,682) in comparison with the prior fiscal year. A portion of fund balance is restricted for debt service and capital projects, non-spendable for prepaids and deposits, and a portion is unassigned deficit fund balance in the general fund.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessments and Developer contributions. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance and operations functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure); less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,		
	2019	2018
Current and other assets	\$ 818,357	\$ 1,084,631
Capital assets, net of depreciation	12,211,531	12,390,993
Total assets	13,029,888	13,475,624
Current liabilities	297,735	291,502
Long-term liabilities	11,250,000	11,610,000
Total liabilities	11,547,735	11,901,502
Net position		
Net investment in capital assets	4,080,391	3,999,657
Restricted for:		
Debt service	116,091	106,327
Capital projects	19,222	293,072
Unrestricted	(2,733,551)	(2,824,934)
Total net position	\$ 1,482,153	\$ 1,574,122

The District's net position decreased during the most recent fiscal year. The majority of the decrease is due to deferred costs being paid to the Developer for the Series 2015 project.

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2019	2018
Revenues:		
Program revenues		
Charges for services	\$ 1,129,973	\$ 983,633
Operating grants and contributions	18,688	137,366
Capital grants and contributions	3,255	98,729
Total revenues	1,151,916	1,219,728
Expenses:		
General government	91,509	82,916
Maintenance and operations	230,026	221,840
Deferred cost obligation	297,780	-
Interest	624,570	643,554
Total expenses	1,243,885	948,310
Change in net position	(91,969)	271,418
Net position - beginning	1,574,122	1,302,704
Net position - ending	\$ 1,482,153	\$ 1,574,122

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2019 was \$1,243,885. The costs of the District's activities were primarily funded by program revenues. Program revenues of the District are comprised primarily of assessments and Developer contributions for both the current and prior fiscal years. Increase in expenses is due to a deferred cost payment in the current year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2019.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Asset

At September 30, 2019, the District had \$14,238,893 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$2,027,362 has been taken, which resulted in a net book value of \$12,211,531. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2019, the District had \$11,250,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Portico Community Development District Finance Department at 12750 Citrus Park Lane, Suite 115, Tampa Florida, 33625.

FINANCIAL STATEMENTS

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

	Governmental Activities
ASSETS	
Cash	\$ 36,716
Prepays	8,508
Deposits	830
Restricted assets:	
Investments	772,303
Capital assets:	
Non-depreciable	9,752,349
Depreciable assets, net	2,459,182
Total assets	<u>13,029,888</u>
LIABILITIES	
Accounts payable and accrued expenses	13,402
Unearned revenue	28,864
Accrued interest payable	255,469
Non-current liabilities:	
Due within one year	380,000
Due in more than one year	10,870,000
Total liabilities	<u>11,547,735</u>
NET POSITION	
Net investment in capital assets	4,080,391
Restricted for debt service	116,091
Restricted for capital projects	19,222
Unrestricted	(2,733,551)
Total net position	<u>\$ 1,482,153</u>

See notes to the financial statements

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 91,509	\$ -	\$ -	\$ -	\$ (91,509)
Maintenance and operations	230,026	145,861	-	3,255	(80,910)
Deferred cost onligation	297,780	-	-	-	(297,780)
Interest on long-term debt	624,570	984,112	18,688	-	378,230
Total governmental activities	<u>1,243,885</u>	<u>1,129,973</u>	<u>18,688</u>	<u>3,255</u>	<u>(91,969)</u>
		Change in net position			(91,969)
		Net position - beginning			<u>1,574,122</u>
		Net position - ending			<u><u>\$ 1,482,153</u></u>

See notes to the financial statements

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
ASSETS				
Cash	\$ 36,716	\$ -	\$ -	\$ 36,716
Investments	-	753,081	19,222	772,303
Prepays	8,508	-	-	8,508
Deposits	830	-	-	830
Total assets	<u>\$ 46,054</u>	<u>\$ 753,081</u>	<u>\$ 19,222</u>	<u>\$ 818,357</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	\$ 13,402	\$ -	\$ -	\$ 13,402
Unearned revenue	28,864	-	-	28,864
Total liabilities	<u>42,266</u>	<u>-</u>	<u>-</u>	<u>42,266</u>
Fund balances:				
Nonspendable for:				
Prepays and deposits	9,338	-	-	9,338
Restricted for:				
Debt service	-	753,081	-	753,081
Capital projects	-	-	19,222	19,222
Unassigned	(5,550)	-	-	(5,550)
Total fund balance	<u>3,788</u>	<u>753,081</u>	<u>19,222</u>	<u>776,091</u>
Total liabilities and fund balances	<u>\$ 46,054</u>	<u>\$ 753,081</u>	<u>\$ 19,222</u>	<u>\$ 818,357</u>

See notes to the financial statements

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

Fund balance - governmental funds	\$	776,091
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	14,238,893	
Accumulated depreciation	<u>(2,027,362)</u>	12,211,531

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(255,469)	
Bonds payable	<u>(11,250,000)</u>	<u>(11,505,469)</u>

Net position of governmental activities	\$	<u><u>1,482,153</u></u>
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See notes to the financial statements

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	\$ 145,861	\$ 984,112	\$ -	\$ 1,129,973
Interest income	-	18,688	3,255	21,943
Total revenues	145,861	1,002,800	3,255	1,151,916
EXPENDITURES				
Current:				
General government	91,509	-	-	91,509
Maintenance and operations	50,564	-	-	50,564
Debt service:				
Principal	-	360,000	-	360,000
Interest	-	632,745	-	632,745
Deferred cost obligation	-	-	297,780	297,780
Total expenditures	142,073	992,745	297,780	1,432,598
Excess (deficiency) of revenues over (under) expenditures	3,788	10,055	(294,525)	(280,682)
OTHER FINANCING SOURCES (USES)				
Interfund transfer in (out)	-	(20,675)	20,675	-
Total other financing sources (uses)	-	(20,675)	20,675	-
Net change in fund balances	3,788	(10,620)	(273,850)	(280,682)
Fund balances - beginning	-	763,701	293,072	1,056,773
Fund balances - ending	\$ 3,788	\$ 753,081	\$ 19,222	\$ 776,091

See notes to the financial statements

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

Amounts reported for governmental activities in the statement of activities
are different because:

Net change in fund balances - total governmental funds	\$ (280,682)
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(179,462)
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	360,000
The change in accrued interest on long-term liabilities between the current and prior fiscal years is recorded in the statement of activities, but not in the governmental fund financial statements.	<u>8,175</u>
Change in net position of governmental activities	<u><u>\$ (91,969)</u></u>

See notes to the financial statements

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Portico Community Development District ("District") was established on December 6, 2005 by the Board of County Commissioners of Lee County, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, under Lee County Ordinance 05-28. The Act provides, among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purpose of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board") which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. During a prior fiscal year, Taylor Woodrow Communities at Portico, LLC ("Taylor"), the original Developer, entered into an Assignment and Assumption Agreement with WCI Communities, LLC ("WCI") whereby Taylor assigned, transferred and conveyed all its rights, titles and interests to WCI. WCI also assumed all of Taylor's rights and obligations under District agreements. During the prior fiscal year WCI was purchased by Lennar. Lennar Corporation assumed all of WCI's rights and obligations under District Agreements. At September 30, 2019, all of the Board members are affiliated with Lennar Corporation ("Developer").

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Operating-type special assessments for maintenance and debt service are treated as charges for services; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on certain land and all platted lots within the District. Assessments are levied at the time of bond issuance on property of record. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Project Fund

The capital project fund is used to account for financial resources to be used for the acquisition or construction of major infrastructure within the District

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash on hand and demand deposits are considered to be cash and cash equivalents.

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury;

Securities listed in paragraphs c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured. Any unspent proceeds are required to be held in investments allowed as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are completed.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Water management and conservation	25
Aeration system	25

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments

The District's investments were held as follows at September 30, 2019:

	Amortized Cost	Credit Risk	Weighted Average Maturities
First American Treasury Obligations			
Fund CL Z	\$ 772,303	S&P AAAm	26 days
Total Investments	<u>\$ 772,303</u>		

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held for unspent Bond proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – INTERFUND

Interfund transfers for the fiscal year ended September 30, 2019 were as follows:

Fund	Transfer in	Transfer Out
Debt service	\$ -	\$ 20,675
Capital projects	20,675	-
Total	<u>\$ 20,675</u>	<u>\$ 20,675</u>

Transfers were to release excess reserves to the deferred cost account for payment of deferred obligations to the Developer.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land	\$ 9,752,349	\$ -	\$ -	\$ 9,752,349
Total capital assets, not being depreciated	9,752,349	-	-	9,752,349
Capital assets, being depreciated				
Water management and conservation	4,391,544	-	-	4,391,544
Aeration system	95,000	-	-	95,000
Total capital assets, being depreciated	4,486,544	-	-	4,486,544
Less accumulated depreciation for:				
Water management and conservation	1,844,417	175,662	-	2,020,079
Aeration system	3,483	3,800	-	7,283
Total accumulated depreciation	1,847,900	179,462	-	2,027,362
Total capital assets, being depreciated, net	2,638,644	(179,462)	-	2,459,182
Governmental activities capital assets, net	\$ 12,390,993	\$ (179,462)	\$ -	\$ 12,211,531

In connection with the 2006 project, the District established a deferred cost investment account reported in the capital projects fund. In the event there are certain excess funds in the 2006 debt service reserve account, they are to be transferred to the deferred cost account and used to repay funds advanced for the project or for the purchase of additional components; however, if funds in the account are not needed for that purpose, they are to be used to redeem outstanding debt.

During the fiscal year ended September 30, 2019, there was \$297,780 paid from the deferred cost account to the Developer. At September 30, 2019, the deferred cost account has a balance is \$19,210. In no event shall the cumulative amount of the deferred costs incurred by the District exceed \$5 million. The District has not yet determined if any additional liability exists for deferred costs. See Note 12 – Subsequent events for payments subsequent to year end.

Depreciation expense was charged to maintenance and operations function.

NOTE 7 – LONG-TERM LIABILITIES

Series 2006

On June 16, 2006 the District issued \$19,720,000 of Capital Improvement Revenue Bonds, due May 1, 2037 with a fixed interest rate of 5.45%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal is to be paid serially commencing May 1, 2008 through May 1, 2037.

The Bonds are subject to redemption at the option of the District prior to maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. In addition, see Note – 12 Subsequent Events for extraordinary redemption amounts subsequent to fiscal year end.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to 1) levy special assessments in annual amounts adequate to provide payment of debt service and 2) to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2019.

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Long-term debt activity

Changes in long-term liability activity for the fiscal year ended September 30, 2019 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2006	\$ 11,610,000	\$ -	\$ 360,000	\$ 11,250,000	\$ 380,000
Total	\$ 11,610,000	\$ -	\$ 360,000	\$ 11,250,000	\$ 380,000

At September 30, 2019, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30,	Governmental Activities		
	Principal	Interest	Total
2020	\$ 380,000	\$ 613,125	\$ 993,125
2021	400,000	592,415	992,415
2022	420,000	570,615	990,615
2023	445,000	547,725	992,725
2024	470,000	523,473	993,473
2025-2029	2,775,000	2,203,163	4,978,163
2030-2034	3,645,000	1,357,595	5,002,595
2035-2037	2,715,000	301,385	3,016,385
Total	\$ 11,250,000	\$ 6,709,496	\$ 17,959,496

NOTE 8 – DEVELOPER TRANSACTIONS

The Developer owns a significant portion of land within the District; therefore, assessment revenues in the general and debt service funds include assessments levied on those properties owned by the Developer.

In addition, the Developer has agreed to fund the general operations of the District. In connection with that agreement, Developer contributions to the general fund during fiscal year 2019 were \$28,864.

NOTE 9 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

NOTE 10 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no claims during the past three years.

NOTE 12 – SUBSEQUENT EVENTS

Bond Refunding

Subsequent to fiscal year end, the District refunded the Series 2006 Bonds using proceeds from Series 2020-1 and 2020-2 Bonds. The Series 2020-1 Bonds were issued for \$12,680,000 with due dates ranging from May 1, 2025 – May 1, 2037 and fixed interest rates ranging from 2.8% to 3.5%. The Series 2020-2 Bonds were issued for \$2,010,000 with due dates ranging from May 1, 2025 – May 1, 2050 and fixed interest rates ranging from 2.875% to 4.0%. The Series 2006 Bonds were redeemed in full in April 2020.

Deferred Cost Payment

Subsequent to the end of the fiscal year, the District paid WCI Communities, LLC \$22,419 representing deferred costs related to the Series 2006 project.

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 145,731	\$ 145,861	\$ 130
Total revenues	<u>145,731</u>	<u>145,861</u>	<u>130</u>
EXPENDITURES			
Current:			
General government	83,973	91,509	(7,536)
Maintenance and operations	61,758	50,564	11,194
Total expenditures	<u>145,731</u>	<u>142,073</u>	<u>3,658</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	3,788	<u>\$ 3,788</u>
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ 3,788</u>	

See notes to required supplementary information

**PORTICO COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2019.



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
Boca Raton, Florida 33431
(561) 994-9299 • (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Supervisors
Portico Community Development District
Lee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Portico Community Development District, Lee County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated June 23, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink, reading "Brian J. Asencio".

June 23, 2020



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Portico Community Development District
Lee County, Florida

We have examined Portico Community Development District, Lee County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2019. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Portico Community Development District, Lee County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

June 23, 2020



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Supervisors
Portico Community Development District
Lee County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Portico Community Development District, Lee County, Florida ("District") as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 23, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 23, 2020, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Portico Community Development District, Lee County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Portico Community Development District, Lee County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

June 23, 2020

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2018.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2019.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2019.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2019. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Tab 4

**SUPPLEMENTAL AGREEMENT TO
PROFESSIONAL SERVICES AGREEMENT**

THIS SUPPLEMENTAL AGREEMENT dated _____, 2020 amends the Professional Services Agreement dated June 2, 2016 (“Agreement”), between **Portico Community Development District** (“CLIENT”) and **Passarella & Associates, Inc.** (“CONSULTANT”).

This Supplemental Agreement is for Portico (“Project”) located in Sections 33 and 34, Township 43 South, Range 26 East, Lee County, Florida.

Services not set forth in this Supplemental Agreement, or not listed or described herein, are expressly excluded from the Scope of the Professional Services of the CONSULTANT. The CONSULTANT assumes no responsibility to perform any services not specifically identified and/or otherwise described in this Supplemental Agreement.

Now, therefore, the parties hereby amend the Agreement as follows:

1. Exhibit A – Scope of Services

Exhibit A of the Agreement shall be amended to include additional services (herein referred to as Attachment 3 to Exhibit A).

2. Exhibit B – Compensation

Exhibit B of the Agreement shall be amended to include the additional services provided in Attachment 3 to Exhibit A (herein referred to as Attachment 3 to Exhibit B).

Except as modified by this Supplemental Agreement, all other terms and conditions of the original Agreement dated June 2, 2016, as amended, shall remain unchanged and in full force and effect.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties warrant and represent that they are authorized to enter into this Supplemental Agreement. CLIENT hereby authorizes the performance of the services in Attachment 3 to Exhibit A and agrees to pay the charges resulting therefrom as identified in Attachment 3 to Exhibit B. As CLIENT or CLIENT's legal representative, I have read, understand, and agree to the business terms and conditions contained herein.

CLIENT:

Portico Community Development District

Signature
By: _____
Name Typed or Printed

Title: _____

Address for giving notices:

Portico Community Development District
9530 Market Place Road, Suite 206
Fort Myers, Florida 33912
Phone: (239) 936-0913
Fax: (239) 936-1815

Attest: _____
Signature

(IF CORPORATION, AFFIX CORPORATE SEAL)

OR

State of _____
County of _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20____,
by _____ who is personally known to me or who has produced _____
as identification.

Notary Public
Name typed, printed or stamped

(Seal)

CONSULTANT:

Passarella & Associates, Inc.

Signature
By: Kenneth C. Passarella
Name Typed or Printed

Title: President

Address for giving notices:

Passarella & Associates, Inc.
13620 Metropolis Avenue, Suite 200
Fort Myers, Florida 33912
Phone: (239) 274-0067
Fax: (239) 274-0069

**ATTACHMENT 3
TO
EXHIBIT A**

ATTACHMENT 3 TO EXHIBIT A

Attachment 3 to Exhibit A consisting of one (1) page referred to and controlled by the terms and conditions contained in this Supplemental Agreement and the Professional Services Agreement between CLIENT and CONSULTANT dated June 2, 2016.

Services not set forth in this Attachment 3 to Exhibit A, or not listed or described herein, are expressly excluded from the Scope of the Professional Services of the CONSULTANT. The CONSULTANT assumes no responsibility to perform any services not specifically identified and/or otherwise described in this Attachment 3 to Exhibit A.

Initial:

CLIENT _____

CONSULTANT _____

SCOPE OF SERVICES

<u>Task</u>	<u>Description</u>
15.0	2021 Mitigation Observations
15.1	Coordination with mitigation contractor.
15.2	Conduct site visits to observe work being conducted by mitigation contractor.
15.3	Coordinate status of exotic maintenance with Client.

**ATTACHMENT 3
TO
EXHIBIT B**

ATTACHMENT 3 TO EXHIBIT B

Attachment 3 to Exhibit B consisting of one (1) page referred to and controlled by the terms and conditions contained in the Supplemental Agreement to Professional Services Agreement between CLIENT and CONSULTANT dated June 2, 2016.

Initial:

CLIENT _____

CONSULTANT _____

COMPENSATION

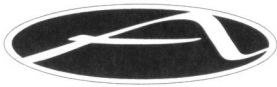
For services provided and performed by CONSULTANT for providing and performing the Task(s) set forth and enumerated in Agreement Attachment 3 to Exhibit A entitled "Scope of Services," the CONSULTANT proposes the following amendment:

Task	Description	Fee Type	Amount
15.0	2021 Mitigation Observations	LS	\$3,500.00
Total:			\$3,500.00

Fee Type Definitions:

Lump Sum (LS): Includes all direct and indirect labor costs, personnel related costs, overhead and administrative costs, which may pertain to the services performed, provided and/or furnished by the CONSULTANT as may be required to complete the services in Attachment 3 to Exhibit A. The total amount of compensation to be paid the CONSULTANT shall not exceed the amount of the total Lump Sum compensation established and agreed to. The portion of the amount billed for CONSULTANT's services which is on account of the Lump Sum will be based upon CONSULTANT's estimate of the proportion of the total services actually completed at the time of billing.

Tab 5



Aquagenix

A D B I SERVICES COMPANY

MANAGING YOUR ENVIRONMENTAL NEEDS

Special Service Agreement

Portico CDD - Lake Maintenance

C/O Rizetta and Company, Inc.
12750 Citrus Park Lane Suite 115
Tampa, FL 33625

Contact: Belinda Blandon Phone: (239) 936-0913

Proposal ID	Date	Terms
119285	8/10/2020	Balance Due 30 Days After Completion Of Work

We are pleased to quote special pricing as follows

Revenue needed to apply systemic aquatic herbicide.

Quantity	Description	Taxable	Unit Price	Extended Price
1	Application to lake C-1 (21 acres)	No	\$7,500.00	\$7,500.00
**Allow 45 days for results. This lake is not used for irrigation				
			SubTotal	\$7,500.00
			Tax	
			Grand Total	

This offer is good for twenty one (21) days from date of quote.

DO NOT PAY FROM THIS AGREEMENT - INVOICE TO FOLLOW

AQUAGENIX

PRINT NAME

DATE

CUSTOMER

PRINT NAME

DATE

BRANCH OFFICE

14250 Jetport Loop West | Fort Myers FL 33913 | Phone 239.561.1420 | Fax 239.561.2883

www.aquagenixaquatics.com

Tab 6

RESOLUTION 2020-13

A RESOLUTION OF THE BOARD OF SUPERVISORS OF PORTICO COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Portico Community Development District (hereinafter the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within Lee County, Florida; and

WHEREAS, the District's Board of Supervisors (hereinafter the "Board") is statutorily authorized to exercise the powers granted to the District; and

WHEREAS, all meetings of the Board shall be open to the public and governed by the provisions of Chapter 286, Florida Statutes; and

WHEREAS, the Board is statutorily required to file annually, with the local governing authority and the Florida Department of Economic Opportunity, a schedule of its regular meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF PORTICO COMMUNITY DEVELOPMENT DISTRICT:

Section 1. Regular meetings of the Board of Supervisors of the District shall be held as provided on the schedule attached as Exhibit "A".

Section 2. In accordance with Section 189.015(1), Florida Statutes, the District's Secretary is hereby directed to file annually, with Lee County, a schedule of the District's regular meetings.

Section 3. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 20TH DAY OF AUGUST, 2020.

**PORTICO COMMUNITY
DEVELOPMENT DISTRICT**

CHAIRMAN / VICE CHAIRMAN

ATTEST:

SECRETARY / ASST. SECRETARY

EXHIBIT "A"
BOARD OF SUPERVISORS MEETING DATES
PORTICO COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2020/2021

November 19, 2020
February 18, 2021
May 20, 2021
August 19, 2021

All meetings will convene at 10:00 a.m. and will be held at the office of the District Manager, Rizzetta & Company, Inc., located at 9530 Marketplace Road, Suite 206, Fort Myers, Florida 33912.

Tab 7



Rizzetta & Company

Portico Community Development District

www.porticocdd.org

Approved Proposed Budget for Fiscal Year 2020/2021

Presented by: Rizzetta & Company, Inc.

**9530 Marketplace Road
Suite 206
Fort Myers, Florida 33912
Phone: 239-936-0913**

www.rizzetta.com

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Rizzetta & Company

GENERAL FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The General Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all General Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Interest Earnings: The District may earn interest on its monies in the various operating accounts.

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

Off Roll: For lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

EXPENDITURES – ADMINISTRATIVE:

Supervisor Fees: The District may compensate its supervisors within the appropriate statutory limits of \$200.00 maximum per meeting within an annual cap of \$4,800.00 per supervisor.

Administrative Services: The District will incur expenditures for the day to day operation of District matters. These services include support for the District Management function, recording and preparation of meeting minutes, records retention and maintenance in accordance with Chapter 119, Florida Statutes, and the District's adopted Rules of Procedure, preparation and delivery of agenda, overnight deliveries, facsimiles and phone calls.

District Management: The District as required by statute, will contract with a firm to provide for management and administration of the District's day to day needs. These service include the conducting of board meetings, workshops, overall administration of District functions, all required state and local filings, preparation of annual budget, purchasing, risk management, preparing various resolutions and all other secretarial duties requested by the District throughout the year is also reflected in this amount.



Rizzetta & Company

District Engineer: The District's engineer provides general engineering services to the District. Among these services are attendance at and preparation for monthly board meetings, review of construction invoices and all other engineering services requested by the district throughout the year.

Disclosure Report: The District is required to file quarterly and annual disclosure reports, as required in the District's Trust Indenture, with the specified repositories. This is contracted out to a third party in compliance with the Trust Indenture.

Trustee's Fees: The District will incur annual trustee's fees upon the issuance of bonds for the oversight of the various accounts relating to the bond issues.

Assessment Roll: The District will contract with a firm to maintain the assessment roll and annually levy a Non-Ad Valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services include all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. These services include, but are not limited to, assessment roll preparation and certification, direct billings and funding request processing as well as responding to property owner questions regarding District assessments. This line item also includes the fees incurred for a Collection Agent to collect the funds for the principal and interest payment for its short-term bond issues and any other bond related collection needs. These funds are collected as prescribed in the Trust Indenture. The Collection Agent also provides for the release of liens on property after the full collection of bond debt levied on particular properties.

Accounting Services: Services include the preparation and delivery of the District's financial statements in accordance with Governmental Accounting Standards, accounts payable and accounts receivable functions, asset tracking, investment tracking, capital program administration and requisition processing, filing of annual reports required by the State of Florida and monitoring of trust account activity.

Auditing Services: The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting firm, once it reaches certain revenue and expenditure levels, or has issued bonds and incurred debt.

Public Officials Liability Insurance: The District will incur expenditures for public officials' liability insurance for the Board and Staff.

Legal Advertising: The District will incur expenditures related to legal advertising. The items for which the District will advertise include, but are not limited to meeting schedules, special meeting notices, and public hearings, bidding etc. for the District based on statutory guidelines

Dues, Licenses & Fees: The District is required to pay an annual fee to the Department of Economic Opportunity, along with other items which may require licenses or permits, etc.



Rizzetta & Company

Website Hosting, Maintenance and Email: The District may incur fees as they relate to the development and ongoing maintenance of its own website along with possible email services if requested.

District Counsel: The District's legal counsel provides general legal services to the District. Among these services are attendance at and preparation for monthly board meetings, review of operating and maintenance contracts and all other legal services requested by the district throughout the year.

EXPENDITURES - FIELD OPERATIONS:

Aquatic Maintenance: Expenses related to the care and maintenance of the lakes and ponds for the control of nuisance plant and algae species.

Fountain Service Repairs & Maintenance: The District may incur expenses related to maintaining the fountains within throughout the Parks & Recreational areas

Wetland Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various wetlands and waterways by other governmental entities.

Mitigation Area Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various mitigation areas by other governmental entities.

General Liability Insurance: The District will incur fees to insure items owned by the District for its general liability needs

Property Insurance: The District will incur fees to insure items owned by the District for its property needs

Miscellaneous Contingency: Monies collected and allocated for expenses that the District could incur throughout the year, which may not fit into any standard categories.



DEBT SERVICE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The Debt Service Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Debt Service Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Special Assessments: The District may levy special assessments to repay the debt incurred by the sale of bonds to raise working capital for certain public improvements. The assessments may be collected in the same fashion as described in the Operations and Maintenance Assessments.

EXPENDITURES – ADMINISTRATIVE:

Bank Fees: The District may incur bank service charges during the year.

Debt Service Obligation: This would be a combination of the principal and interest payment to satisfy the annual repayment of the bond issue debt.



Rizzetta & Company

Proposed Budget
Portico Community Development District
General Fund
Fiscal Year 2020/2021

	Chart of Accounts Classification	Actual YTD through 06/30/20	Projected Annual Totals 2019/2020	Annual Budget for 2019/2020	Projected Budget variance for 2019/2020	Budget for 2020/2021	Budget Increase (Decrease) vs 2019/2020	Comments
1								
2	REVENUES							
3								
4	Special Assessments							
5	Tax Roll*	\$ 57,769	\$ 57,769	\$ 57,522	\$ 247	\$ 76,668	\$ 19,147	
6	Off Roll*	\$ 111,355	\$ 96,092	\$ 111,355	\$ (15,263)	\$ 123,374	\$ 12,018	
7	Contributions & Donations from Private Sources							
8	Developer Contributions	\$ 28,864	\$ 38,485		\$ 38,485	\$ -	\$ -	
9								
10	TOTAL REVENUES	\$ 197,988	\$ 192,346	\$ 168,877	\$ 23,469	\$ 200,042	\$ 31,165	
11								
12	Balance Forward from Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
13								
14	TOTAL REVENUES AND BALANCE FORWARD	\$ 197,988	\$ 192,346	\$ 168,877	\$ 23,469	\$ 200,042	\$ 31,165	
15								
16	<i>*Allocation of assessments between the Tax Roll and Off Roll are estimates only and subject to change prior to certification.</i>							
17								
18	EXPENDITURES - ADMINISTRATIVE							
19								
20	Financial & Administrative							
21	Administrative Services	\$ 3,375	\$ 4,500	\$ 4,500	\$ -	\$ 4,635	\$ 135	
22	District Management	\$ 14,250	\$ 19,000	\$ 19,000	\$ -	\$ 19,570	\$ 570	
23	District Engineer	\$ 17,895	\$ 23,860	\$ 5,000	\$ (18,860)	\$ 20,000	\$ 15,000	
24	Disclosure Report	\$ 1,500	\$ 1,500	\$ 1,500	\$ -	\$ 2,500	\$ 1,000	
25	Trustees Fees	\$ 2,666	\$ 2,666	\$ 4,213	\$ 1,547	\$ 4,213	\$ -	
26	Assessment Roll	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ 5,150	\$ 150	
27	Financial & Revenue Collections	\$ 3,750	\$ 5,000	\$ 5,000	\$ -	\$ 5,150	\$ 150	
28	Accounting Services	\$ 13,500	\$ 18,000	\$ 18,000	\$ -	\$ 18,540	\$ 540	
29	Auditing Services	\$ 2,000	\$ 2,000	\$ 3,600	\$ 1,600	\$ 3,700	\$ 100	As per Contract with Grau and Associates
30	Arbitrage Rebate Calculation	\$ -	\$ -	\$ 650	\$ 650	\$ 650	\$ -	
31	Miscellaneous Mailings	\$ 191	\$ 255	\$ 500	\$ 245	\$ 500	\$ -	
32	Public Officials Liability Insurance	\$ 2,614		\$ 2,805	\$ 2,805	\$ 2,875	\$ 70	As per Egis' estimate
33	Legal Advertising	\$ 4,409	\$ 5,879	\$ 700	\$ (5,179)	\$ 700	\$ -	Costs of legal advertising
34	Dues, Licenses & Fees	\$ 175	\$ 233	\$ 175	\$ (58)	\$ 175	\$ -	Filing Fee
35	Tax Collector /Property Appraiser Fees	\$ 380	\$ 380	\$ 380	\$ -	\$ 380	\$ -	1.00 per parcel
36	Website Hosting, Maintenance, Backup (and Email)	\$ 3,891	\$ 5,188	\$ 8,600	\$ 3,412	\$ 3,653	\$ (4,948)	Includes ADA Website Remediation
37	Legal Counsel							
38	District Counsel	\$ 14,378	\$ 19,171	\$ 12,500	\$ (6,671)	\$ 12,500	\$ -	
39								
40	Administrative Subtotal	\$ 89,974	\$ 112,632	\$ 92,123	\$ (20,509)	\$ 104,891	\$ 12,768	
41								
42	EXPENDITURES - FIELD OPERATIONS							
43								
44	Electric Utility Services							
45	Utility-Fountains/Aerators	\$ 6,652	\$ 8,869	\$ 11,600	\$ 11,600	\$ 17,100	\$ 5,500	Est.
46	Stormwater Control							
47	Aquatic Maintenance	\$ 19,805	\$ 26,407	\$ 29,676	\$ 29,676	\$ 31,100	\$ 1,424	
48	Fountain Service Repairs & Maintenance	\$ 4,358	\$ 5,811	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	Solitude Fountain Maintenance \$ 920.00 and Aeration at \$ 3, 080.00 per year.
49	Wetland Monitoring & Maintenance	\$ 8,250	\$ 11,000	\$ 15,000	\$ 15,000	\$ 17,500	\$ 2,500	As per Earth Tech's Proposal 4 events @ \$ 3, 750.00 each. Plus \$ 2, 500 for additional plantings
50	Mitigation Area Monitoring & Maintenance	\$ 8,812	\$ 11,749	\$ 2,500	\$ 2,500	\$ 11,400	\$ 8,900	Pasarella and Associates Monitoring Cost
51	Aquatic Plant Replacement	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ -	Allowance for littorals
52	Other Physical Environment							
53	General Liability Insurance	\$ 2,706	\$ 2,706	\$ 2,904	\$ 2,904	\$ 2,977	\$ 73	As per Egis' estimate
54	Property Insurance	\$ 522	\$ 522	\$ 574	\$ 574	\$ 574	\$ -	As per Egis' estimate
55	Contingency							
56	Miscellaneous Contingency	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	
57								
58	Field Operations Subtotal	\$ 51,105	\$ 67,064	\$ 76,754	\$ 76,754	\$ 95,151	\$ 18,397	
59								
60	Contingency for County TRIM Notice							
61								
62	TOTAL EXPENDITURES	\$ 141,079	\$ 179,696	\$ 168,877	\$ 56,245	\$ 200,042	\$ 31,165	
63								
64	EXCESS OF REVENUES OVER EXPENDITURES	\$ 56,909	\$ 12,651	\$ -	\$ 79,715	\$ 1	\$ 1	

Budget Template
Portico Community Development District
Debt Service
Fiscal Year 2020/2021

Chart of Accounts Classification	Series 2020	Budget for 2020/2021
REVENUES		
Special Assessments		
Net Special Assessments	\$1,097,396.94	\$1,097,396.94
TOTAL REVENUES	\$1,097,396.94	\$1,097,396.94
EXPENDITURES		
Administrative		
Financial & Administrative		
Debt Service Obligation	\$1,097,396.94	\$1,097,396.94
Administrative Subtotal	\$1,097,396.94	\$1,097,396.94
TOTAL EXPENDITURES	\$1,097,396.94	\$1,097,396.94
EXCESS OF REVENUES OVER EXPENDITURES	\$0.00	\$0.00

Lee County Tax Collector Fee (\$1.45 per parcel / line):

\$1,708.10

Lee County Early Payment Discounts:

\$45,724.87

Gross assessments:

\$1,144,829.91

Notes:

1. Tax roll collection costs and early payment discounts are budgeted net of tax roll assessments. See Assessment Table.

PORTICO COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2020/2021 O&M AND DEBT SERVICE ASSESSMENT SCHEDULE

2020/2021 O&M Budget	\$200,042.00
Early Payment Discounts (4%)	\$8,335.08
2020/2021 Total:	<u>\$208,377.08</u>
2019/2020 O&M Budget	\$168,877.00
2020/2021 O&M Budget	\$200,042.00
Total Difference:	<u>\$31,165.00</u>

	PER UNIT ANNUAL ASSESSMENT		Proposed Increase / Decrease	
	2019/2020	2020/2021	\$	%
Series 2020 Debt Service - Townhome - unplatted ⁽¹⁾	\$623.02	\$621.57	-\$1.45	-0.23%
Operations/Maintenance - Townhome	\$76.28	\$79.56	\$3.28	4.30%
Total	\$699.30	\$701.13	\$1.83	0.26%
Series 2020 Debt Service - Single Family 50' ⁽¹⁾	\$732.71	\$731.26	-\$1.45	-0.20%
Operations/Maintenance - Single Family 50'	\$138.69	\$144.66	\$5.97	4.30%
Total	\$871.40	\$875.92	\$4.52	0.52%
Series 2020 Debt Service - Single Family 60' ⁽¹⁾	\$952.10	\$950.63	-\$1.47	-0.15%
Operations/Maintenance - Single Family 60'	\$163.66	\$170.70	\$7.04	4.30%
Total	\$1,115.76	\$1,121.33	\$5.57	0.50%
Series 2020 Debt Service - Single Family 70' ⁽¹⁾	\$1,171.47	\$1,170.01	-\$1.46	-0.12%
Operations/Maintenance - Single Family 70'	\$188.62	\$196.74	\$8.12	4.30%
Total	\$1,360.09	\$1,366.75	\$6.66	0.49%

(1) Lee County collection costs are \$1.45 per parcel / line on platted lots only and are included in the debt service assessment.

PORTICO COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2020/2021 O&M AND DEBT SERVICE ASSESSMENT SCHEDULE

TOTAL O&M BUDGET ⁽⁵⁾		\$200,042.00
EARLY PAYMENT DISCOUNTS @ 4.0%		\$8,335.08
TOTAL O&M ASSESSMENT		<u>\$208,377.08</u>

LOT SIZE	UNITS ASSESSED		EAU FACTOR	TOTAL EAU's	% TOTAL EAU's	TOTAL O&M BUDGET	TOTAL SERIES 2020 DEBT SERVICE ASSESSMENT	PER LOT ANNUAL ASSESSMENT SERIES 2020		
	O&M	SERIES 2020 DEBT SERVICE ⁽¹⁾						O&M	DEBT SERVICE ⁽²⁾	TOTAL ^{(3) (4)}
<u>Platted Parcels</u>										
SINGLE FAMILY 50 SERIES	177	177	1.00	177.00	12.29%	\$25,604.48	\$129,433.02	\$144.66	\$731.26	\$731.26
SINGLE FAMILY 60 SERIES	198	198	1.18	233.64	16.22%	\$33,797.92	\$188,224.74	\$170.70	\$950.63	\$950.63
SINGLE FAMILY 70 SERIES	104	104	1.36	141.44	9.82%	\$20,460.44	\$121,681.04	\$196.74	\$1,170.01	\$1,170.01
Total Platted	<u>479</u>	<u>479</u>		<u>552.08</u>	<u>38.33%</u>	<u>\$79,862.84</u>	<u>\$439,338.80</u>			
<u>UNPLATTED LANDS</u>		<u>PLANNED UNITS</u>								
TOWNHOME	162	162	0.55	89.10	6.19%	\$12,889.04	\$100,694.34	\$79.56	\$621.57	\$621.57
SINGLE FAMILY 50 SERIES	522	522	1.00	522.00	36.24%	\$75,511.52	\$381,717.72	\$144.66	\$731.26	\$731.26
SINGLE FAMILY 60 SERIES	235	235	1.18	277.30	19.25%	\$40,113.69	\$223,398.05	\$170.70	\$950.63	\$950.63
Total Unplatted	<u>919</u>	<u>919</u>		<u>888.40</u>	<u>61.67%</u>	<u>\$128,514.25</u>	<u>\$705,810.11</u>			
Total Community	<u>1398</u>	<u>1398</u>		<u>1440.48</u>	<u>100.00%</u>	<u>\$208,377.08</u>	<u>\$1,145,148.91</u>			
Less Lee County Early Payment Discounts (4%):						(\$8,335.08)	(\$45,724.87)			
Less Lee County Tax Collector Fee (\$1.45 per parcel / line):							(\$2,027.10)			
Net Revenue to be Collected:						<u>\$200,042.00</u>	<u>\$1,097,396.94</u>			
<u>UNPLAT BY ACREAGE</u>	<u>248.02</u>	<u>248.02</u>				<u>\$128,514.25</u>	<u>\$705,810.11</u>	PER ACRE ASSESSMENTS - UNPLATTED		
								<u>O&M</u>	<u>DEBT</u>	<u>TOTAL</u>
								\$518.16	\$2,845.78	\$2,845.78

(1) Reflects the number of total lots with Series 2020 debt outstanding.

(2) Annual debt service assessment per lot adopted in connection with the Series 2006 bond issue. Annual assessment includes principal, interest, county collection costs and early payment discounts.

(3) Annual assessment that will appear on November 2020 Lee County property tax bill. Amount shown includes all applicable collection costs and early payment discounts (up to 4% if paid early).

(4) Lee County collection costs are \$1.45 per parcel / line and are included in the debt service assessment.

Tab 8

RESOLUTION 2020-14

THE ANNUAL APPROPRIATION RESOLUTION OF THE PORTICO COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2020, submitted to the Board of Supervisors (“**Board**”) of the Portico Community Development District (“**District**”) proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (“**Fiscal Year 2020/2021**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PORTICO COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit “A,”** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* (“**Adopted Budget**”), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District’s Local Records Office and identified as “The Budget for the Portico Community Development District for the Fiscal Year Ending September 30, 2021.”
- d. The Adopted Budget shall be posted by the District Manager on the District’s official website within thirty (30) days after adoption and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2020/2021, the sum of \$ _____ to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$ _____
DEBT SERVICE FUND (SERIES 2020)	\$ _____
TOTAL ALL FUNDS	\$ _____

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2020/2021 or within 60 days following the end of the Fiscal Year 2020/2021 may amend its Adopted Budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016, *Florida Statutes*, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 20TH DAY OF AUGUST, 2020.

ATTEST:

**PORTICO COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By:_____

Its:_____

Exhibit A: Fiscal Year 2020/2021 Budget

Exhibit A
Fiscal Year 2020/2021 Budget

Tab 9

RESOLUTION 2020-15

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE PORTICO COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2020/2021; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Portico Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in Lee County, Florida (“**County**”); and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District’s adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

WHEREAS, the Board of Supervisors (“**Board**”) of the District hereby determines to undertake various operations and maintenance and other activities described in the District’s budget (“**Adopted Budget**”) for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (“**Fiscal Year 2020/2021**”), attached hereto as **Exhibit “A,”** and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the District; and

WHEREAS, Chapter 190, *Florida Statutes*, provides that the District may impose special assessments on benefitted lands within the District; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

WHEREAS, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2020/2021; and

WHEREAS, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“**Uniform Method**”), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

WHEREAS, it is in the best interests of the District to adopt the assessment roll (“**Assessment Roll**”) attached to this Resolution as **Exhibit “B,”** and to certify the portion of the Assessment Roll related to certain developed property (“**Tax Roll Property**”) to the County Tax Collector pursuant to the Uniform Method and to directly collect the portion of the Assessment Roll relating to the remaining property (“**Direct Collect Property**”), all as set forth in **Exhibit “B;”** and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll adopted herein, including that portion certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PORTICO COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BENEFIT & ALLOCATION FINDINGS. The provision of the services, facilities, and operations as described in **Exhibit “A”** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands is shown in **Exhibits “A” and “B,”** and is hereby found to be fair and reasonable.

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapters 170, 190 and 197, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District and in accordance with **Exhibits “A” and “B.”** The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the “maximum rate” authorized by law for operation and maintenance assessments.

SECTION 3. COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.

- A. **Tax Roll Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Tax Roll Property shall be collected at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in **Exhibits “A” and “B.”**
- B. **Direct Bill Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Direct Collect

Property shall be collected directly by the District in accordance with Florida law, as set forth in **Exhibits “A” and “B.”** Assessments directly collected by the District are due in full on December 1, 2020; provided, however, that, to the extent permitted by law, the assessments due may be paid in several partial, deferred payments and according to the following schedule: 50% due no later than December 1, 2020, 25% due no later than February 1, 2021 and 25% due no later than May 1, 2021. In the event that an assessment payment is not made in accordance with the schedule stated above, the whole assessment – including any remaining partial, deferred payments for Fiscal Year 2020/2021, shall immediately become due and payable; shall accrue interest, penalties in the amount of one percent (1%) per month, and all costs of collection and enforcement; and shall either be enforced pursuant to a foreclosure action, or, at the District’s sole discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Any prejudgment interest on delinquent assessments shall accrue at the rate of any bonds secured by the assessments, or at the statutory prejudgment interest rate, as applicable. In the event an assessment subject to direct collection by the District shall be delinquent, the District Manager and District Counsel, without further authorization by the Board, may initiate foreclosure proceedings pursuant to Chapter 170, *Florida Statutes*, or other applicable law to collect and enforce the whole assessment, as set forth herein.

- C. **Future Collection Methods.** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

SECTION 4. ASSESSMENT ROLL. The Assessment Roll, attached to this Resolution as **Exhibit “B,”** is hereby certified for collection. That portion of the Assessment Roll which includes the Tax Roll Property is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

SECTION 6. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

PASSED AND ADOPTED THIS 20TH DAY OF AUGUST, 2020.

ATTEST:

**PORTICO COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

By: _____

Its: _____

Exhibit A: Fiscal Year 2020/2021 Budget

Exhibit B: Assessment Roll (Uniform Method)
Assessment Roll (Direct Collect)

Exhibit A
Fiscal Year 2020/2021 Budget

Exhibit B:
Assessment Roll (Uniform Method)
Assessment Roll (Direct Collect)

Assessment roll is maintained in the District's official records and is available upon request. Certain exempt information may be redacted prior to release in compliance with Chapter 119, Florida Statutes.